

IRREVOCABLE LETTER OF CREDIT

LETTER OF CREDIT NO.

ISSUE DATE

EXPIRATION DATE

BENEFICIARY:
COUNTY OF ROCKINGHAM
20 EAST GAY STREET
HARRISONBURG VA 22802

APPLICANT:

ATTENTION: ADAM HANCOCK, EROSION AND SEDIMENT CONTROL ADMINISTRATOR

WE HEREBY ESTABLISH OUR IRREVOCABLE LETTER OF CREDIT IN YOUR FAVOR FOR THE ACCOUNT OF _____ AVAILABLE BY YOUR DRAFT ON US AT SIGHT UP TO AN AGGREGATE AMOUNT OF \$ _____ ACCOMPANIED BY A CERTIFICATE PURPORTEDLY SIGNED BY OUR DULY AUTHORIZED OFFICER AS FOLLOWS:

"THIS IS TO CERTIFY THAT _____ HAS FAILED TO PERFORM ITS OBLIGATION IN ACCORDANCE WITH THE PLAN KNOWN AS EROSION & SEDIMENT CONTROL FOR _____ OR OTHERWISE FAILED TO PERFORM IN ACCORDANCE WITH A BOND BETWEEN _____ AND THE COUNTY OF ROCKINGHAM."

ALL DRAFTS DRAWN UNDER THIS CREDIT MUST CONTAIN THE CLAUSE, "DRAWN UNDER _____ IRREVOCABLE LETTER OF CREDIT NUMBER _____ DATED _____."

WE HEREBY AGREE WITH YOU THAT DRAFTS DRAWN UNDER AND IN COMPLIANCE WITH THE TERMS OF THIS CREDIT WILL BE DULY HONORED ON DUE PRESENTATION TO US AT THE FOLLOWING LOCATION/S.

EACH DRAWING SHALL REDUCE THE AMOUNT OF THIS CREDIT DOLLAR FOR DOLLAR. YOU WILL REFUND US FROM THE FUNDS DRAWN UNDER THIS CREDIT SUCH FUNDS NOT APPLIED TO THE DEVELOPER'S FAILURE TO PERFORM UNDER THE PLAN KNOWN AS EROSION & SEDIMENT CONTROL FOR _____.

THIS ORIGINAL LETTER OF CREDIT MUST ACCOMPANY THE DRAFT THAT EXHAUSTS THE CREDIT AND MUST BE SURRENDERED CONCURRENTLY WITH THE PAYMENT OF SUCH DRAFT.

THIS LETTER OF CREDIT SHALL EXPIRE THE EARLIER OF (A) THE DATE THE COUNTY ISSUES TO _____ A LETTER ACCEPTING AS COMPLETE THOSE EROSION AND SEDIMENT CONTROL MEASURES OR (B) _____ (THE EXPIRATION DATE) OR ANY AUTOMATICALLY EXTENDED DATE AS PROVIDED FOR HEREIN.

IT IS A CONDITION OF THIS CREDIT THAT IT SHALL BE DEEMED AUTOMATICALLY EXTENDED FOR 18 MONTH PERIODS, WITHOUT WRITTEN AMENDMENT, UNLESS AT LEAST 60 DAYS PRIOR TO THE EXPIRATION DATE OR ANY FUTURE EXPIRATION DATE WE NOTIFY YOU IN WRITING THAT WE ELECT NOT TO SO RENEW THIS CREDIT FOR ANY SUCH ADDITIONAL 18-MONTH PERIOD.

THIS CREDIT IS SUBJECT TO THE UNIFORM CUSTOMS AND PRACTICES FOR DOCUMENTARY CREDITS (1993 REVISION), INTERNATIONAL CHAMBER OF COMMERCE BROCHURE NO. 500.
